



DONALD L. WOLFE, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

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IN REPLY PLEASE

REFER TO FILE: **W-0**

June 29, 2006

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY  
ANNEXATION 40-54 (34-32), LOCAL AGENCY FORMATION COMMISSION  
DESIGNATION 2004-08  
NEGOTIATED TAX EXCHANGE RESOLUTION  
SUPERVISORIAL DISTRICT 5  
3 VOTES**

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY  
OF THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40,  
ANTELOPE VALLEY:**

Adopt the enclosed Joint Resolution approving and accepting the negotiated exchange of property tax revenue resulting from Annexation 40-54 (34-32).

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

We are recommending that your Board adopt the enclosed Joint Resolution approving and accepting the negotiated exchange of property tax revenue resulting from Annexation 40-54 (34-32), approximately 792.8 acres of vacant land in the City of Palmdale, to the Los Angeles County Waterworks District No. 40, Antelope Valley.

### **Implementation of Strategic Plan Goals**

This action meets the County Strategic Plan Goal of Organizational Effectiveness as it will provide effective and efficient delivery of water to future customers within the annexed area.

### **FISCAL IMPACT/FINANCING**

New revenue will be generated in the form of standby charges paid by the property owners to the Los Angeles County Waterworks District No. 40, Antelope Valley, for the operation and maintenance of the water system and capital improvement projects.

The property owners requesting the proposed annexation will pay all required fees associated with this project.

The Joint Resolution will transfer a portion of the annual property tax increment from each of the affected County taxing entities, together with the Antelope Valley Resource Conservation District, the City of Palmdale, and the Antelope Valley-East Kern Water Agency to the Los Angeles County Waterworks District No. 40, Antelope Valley. The property tax transfers will become effective Fiscal Year 2006-07.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Section 99 of the Revenue and Taxation Code requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change must negotiate a reallocation of property tax revenue between the affected agencies, and approve and accept such reallocation by resolution.

Adoption of the tax transfer Joint Resolution by your Board will allow the Local Agency Formation Commission (LAFCO) to schedule the required public hearing to consider testimony on the proposed annexation. LAFCO will subsequently take action to approve, approve with changes, or disapprove the proposal. The tax transfer Joint Resolution has also been approved as to form by County Counsel.

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**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There will be no negative impact on current County services or projects during the performance of the recommended services.

**CONCLUSION**

After approval of this recommendation, please return one adopted copy of this letter and one signed original of the Joint Resolution to Public Works, Waterworks and Sewer Maintenance Division, for submittal to LAFCO, and forward one adopted copy of the letter and Resolution to the County Assessor.

Respectfully submitted,

DONALD L. WOLFE  
Director of Public Works

MR:lm  
BDL2196

Enc.

cc: Chief Administrative Office  
County Assessor  
County Counsel

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES, THE BOARD OF DIRECTORS OF THE ANTELOPE VALLEY  
RESOURCE CONSERVATION DISTRICT, THE CITY COUNCIL OF THE CITY OF  
PALMDALE, AND THE BOARD OF DIRECTORS OF THE ANTELOPE VALLEY-EAST  
KERN WATER AGENCY APPROVING AND ACCEPTING THE NEGOTIATED  
EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM ANNEXATION OF  
PROPERTY DESIGNATED AS ANNEXATION 40-54 (34-32), LOCAL AGENCY  
FORMATION COMMISSION DESIGNATION 2004-08, TO THE LOS ANGELES  
COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY

WHEREAS, pursuant to Section 99.01 of the Revenue and Taxation Code, in the case of any jurisdictional change that will result in a special district providing one or more services to an area where those services have not previously been provided by any local agency, the special district and each local agency that receives an apportionment of property tax revenue from the area may negotiate an exchange of property tax revenue generated in the area subject to the jurisdictional change and attributable to those local agencies; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, acting on behalf of the Los Angeles County Waterworks District No. 40, Antelope Valley; County of Los Angeles Consolidated Fire Protection District; together with the Board of Directors of the Antelope Valley Resource Conservation District, the Board of Directors of the Antelope Valley-East Kern Water Agency, and the City Council of the City of Palmdale have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation proposal identified as Annexation 40-54 (34-32) to the Los Angeles County Waterworks District No. 40, Antelope Valley, is as set forth:

NOW, THEREFORE, BE IT RESOLVED, as follows:

1. The Los Angeles County Waterworks District No. 40, Antelope Valley; County of Los Angeles Consolidated Fire Protection District; Antelope Valley Resource Conservation District; Antelope Valley-East Kern Water Agency; and the City of Palmdale have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation proposal identified as Annexation 40-54 (34-32) is approved and accepted.
2. For fiscal years commencing on or after July 1, 2006, or the July 1 after the effective date of this jurisdictional change, whichever is later, the property tax revenue increment generated from the area within Annexation 40-54 (34-32) shall be allocated to the affected agencies as indicated in the enclosed worksheets (Exhibits A and B).
3. No transfer of property tax revenues other than those specified in Paragraph 2 shall be made as a result of Annexation 40-54 (34-32).
4. If at any time after the effective date of this Joint Resolution, the calculations used herein to determine initial property tax transfers or the data used to perform those calculations are found to be incorrect, thus producing an improper or inaccurate property tax transfer, the property tax transfer shall be recalculated and the corrected transfer shall be implemented for the next fiscal year and any amounts of property tax received in excess of that which is proper shall be refunded to the appropriate agency.

The foregoing Resolution was adopted on the \_\_\_\_\_ day of \_\_\_\_\_, 2006  
by the Board of Supervisors of the County of Los Angeles as the governing body of the  
Los Angeles County Waterworks District No. 40, Antelope Valley.

SACHI A. HAMAI  
Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.  
County Counsel

By \_\_\_\_\_  
Deputy